

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

AN ADJUSTMENT OF RATES OF EAST)	
KENTUCKY UTILITIES, INC.)	CASE NO. 98-280

O R D E R

On May 22, 1998, East Kentucky Utilities, Inc. ("East Kentucky Utilities") tendered for filing an application for a general adjustment in gas rates. The application contained numerous deficiencies and was rejected for filing, pursuant to 807 KAR 5:001, Section 2(2), by letter dated June 12, 1998. East Kentucky Utilities subsequently cured the filing deficiencies on June 17, 1998 and was notified that its rate application was accepted for filing as of June 17, 1998.

Pursuant to KRS 278.180(1), no change can be made in any rate by a utility except upon 30 days notice to the Commission. Therefore, the earliest date on which East Kentucky Utilities' proposed rates can lawfully become effective is July 17, 1998. Based on a review of East Kentucky Utilities' rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed rates and that investigation cannot be concluded by July 17, 1998.

IT IS THEREFORE ORDERED that:

1. Pursuant to KRS 278.190(2), East Kentucky Utilities' proposed rates are suspended for five months through December 16, 1998.
2. The procedural schedule set forth in Appendix A attached hereto shall be followed in this case.

3. All requests for information and responses thereto shall be appropriately indexed and tabbed. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 10 copies to the Commission.

4. East Kentucky shall give notice of the hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, it shall forward a duplicate of the notice and request to the Commission.

5. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause.

6. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

7. Neither opening statements nor witnesses' summaries of prefiled direct testimony will be permitted.

Done at Frankfort, Kentucky, this 26th day of June, 1998.

PUBLIC SERVICE COMMISSION



For the Commission

ATTEST:



Executive Director

APPENDIX A

AN APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 98-280 DATED JUNE 26, 1998

All requests for information to East Kentucky shall
be filed no later than 07/15/98

East Kentucky shall file responses to
the requests for information no later than 07/29/98

All supplemental requests for information to East Kentucky
shall be filed no later than 08/12/98

East Kentucky shall file responses to supplemental
requests for information no later than 08/26/98

Intervenor testimony, if any, shall be filed
in verified prepared form no later than 09/09/98

All requests for information to Intervenor
shall be filed no later than 09/23/98

Intervenor shall file responses to
requests for information no later than 10/07/98

Last day for East Kentucky to publish notice of
hearing date 10/07/98

Public Hearing is to begin at 9:00 a.m., Eastern
Daylight Time, in Hearing Room 1 of the Commission's
offices at 730 Schenkel Lane, Frankfort, Kentucky,
for the purposes of cross-examination of witnesses
of East Kentucky and witnesses of the Intervenor 10/14/98